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HOUSE BILL 901

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Daniel R. Foley

AN ACT

RELATING TO TAXATION; IMPOSING A TAX ON PUNITIVE DAMAGES AWARDS; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. [NEW MATERIAL] PUNITIVE DAMAGES AWARD-- TAX IMPOSED-- ADMINISTRATION AND COLLECTION. --

A. There is imposed upon the recipient of any court award for punitive damages a tax in the amount of sixty-five percent of the award.

B. The tax imposed by the section shall be called the "punitive damages tax".

C. The punitive damages tax shall be due on or before the fifth day of the month following the month in which the award is received.

D. The punitive damages tax shall be administered,

underscored material = new  
[bracketed material] = delete

1 collected and enforced pursuant to the provisions of the Tax  
2 Administration Act.

3 Section 2. A new section of the Tax Administration Act is  
4 enacted to read:

5 "[NEW MATERIAL] DISTRIBUTION--CRIME VICTIMS REPARATION  
6 FUND.--A distribution pursuant to Section 7-1-6.1 NMSA 1978  
7 shall be made to the crime victims reparation fund in an amount  
8 equal to the net receipts attributable to the punitive damages  
9 tax."

10 Section 3. EFFECTIVE DATE.--The effective date of the  
11 provisions of this act is July 1, 2003.

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